

News from Ed Markey

United States Congress

Massachusetts Seventh District

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CONTACT: JOE DALTON
(202) 225-2836

MARKEY UNVEILS LONG-TERM CARE INITIATIVE *Will Use 2% of Surplus for Home and Community-Based Chronic Care*

WASHINGTON, DC – U.S. Representative Edward J. Markey (D-MA) today unveiled a proposal to use 2% of the projected surplus over the next five years to provide a new long-term in-home, community-based, and respite care benefit through Medicare Part B. Rep. Markey delivered the following statement at a 1:30 P.M. press conference today:

"Good afternoon. I am pleased that a number of organizations are represented here today all of whom support making long-term care a top priority for the 106th Congress. I would like to acknowledge that the National Council on Aging, the Alzheimer's Association, the Center for Medicare Advocacy, the Council of Jewish Federations, the National Association for Home Care, the National Association of Area Agencies on Aging, the Massachusetts Hospital Association, and the Conference of Boston Teaching Hospitals have sent letters of support for the 2% Solution. A number of other organizations, including the Easter Seals, will be sending letters of support as well. Thank you all for being here this afternoon.

"We have a chronic care crisis in our country today. Without a coherent and comprehensive approach to care for people with disabling chronic conditions, the situation will only worsen. People with chronic diseases and disabilities will continue to suffer the consequences of deteriorating health if a strategy is not implemented to meet their long-term needs.

"As part of that strategy, we must recognize that there are thousands of spouses and other family members struggling to provide care for their loved ones in their homes each year. A new study in the latest issue of *Health Affairs* estimates the current market value of unpaid caregiving to adults who are disabled or chronically ill to be nearly \$200 billion a year.

"These family caregivers are heroes – filling a virtual "no care zone" where loved ones no longer qualify for Medicare, but still require monitoring, oversight, and assistance. These heroes need help!

"I have a 3-point plan which will, I believe, send the message to these heroes that help is on the way. My plan will begin to bridge the gap between need and coverage in long-term chronic care.

"First, I propose a 2% Solution. I propose using 2% of the projected surplus over the next 5 years to fund a new long-term care proposal to create a new in-home, community-based, and respite care benefit through Medicare Part B.

"Over the next five years (FY2000-2004), the total unified surplus is projected to be (OMB)

\$828 billion. The 2% Solution would cost on average \$3.3 billion (OMB) per year for the next five years – a small price to pay to ease the burdens of patients and families affected by conditions like Alzheimer's, Parkinson's, Congestive Heart Failure, Multiple Sclerosis, Cerebral Palsy, Spinal Cord Injury, Muscular Dystrophy, and Stroke.

"To help fill the Long-Term care vacuum for patients and family members, services will be provided in a place of residence or home or in a community setting such as adult day care. Services will focus on enabling individuals with functional or cognitive limitations to maintain or regain their maximum functioning level, providing ongoing symptom relief and assistance with activities of daily living, socialization and emotional well-being. Respite services will also be provided for family caregivers.

"Second, we must repair some of the damage caused by the Balanced Budget Act.

"In my opinion, The Balanced Budget Act was produced using knowingly fraudulent numbers – both CBO and OMB knew that the deficit in the summer of 1997 was far less than what they were admitting. These cuts have had a real impact in real people's lives. In my district, one hospital has closed – 195 beds and almost 900 full and part-time workers – GONE. Another is threatened, and yet another has become a "hospital without beds" performing only outpatient day surgeries and closing its emergency room and maternity ward. A home health agency and a community health center closed just last week. And in a meeting just one month ago, I learned that the community hospitals system serving my hometown of Malden and the surrounding communities has slashed its home health visits from 470,000 in 1997 to 332,000 in 1998 and they estimate only 260,000 for 1999. 1,400 patients have been cut from the system's home health care roster.

"In his testimony to the Budget Committee, CBO Director Dan Crippen reported an unprecedented ZERO growth in Medicare. This is an astonishing number. CBO had estimated that Medicare spending after the Balanced Budget Act would total over 1.244 trillion for the 5 year period 1998-2002. We have only spent \$1.156 trillion over that period – a miscalculation of \$88.5 billion. This collapse in Medicare growth will result, in budget terms, in over \$60 billion in unanticipated savings in the next three years. I believe these unanticipated savings should be redirected to their unintended victims.

"It's not too late to admit we were wrong, and it would be criminal to pretend that we were right.

"And third, I believe we must reject any Medicare reform proposal that does not include a meaningful long-term care component. The Breaux-Thomas Commission recommendations have not met that test. What's more, the Commission recommendation that we assess a 10% copayment on home health would only exacerbate the problem.

"Approximately 4 million Americans have Alzheimer's disease. More than 7 out of 10 people with Alzheimer's disease live at home. Caregivers are not wealthy, yet they spend on average \$12,500 per year to support the person with Alzheimer's they are caring for. They work hard, but often must leave, reduce, or change employment to care for their loved ones. Ninety percent of Alzheimer's caregivers are giving care to a relative, and an overwhelming majority, 75%, of caregivers are women. Studies have shown that the typical family caregiver is in her 70s and has two chronic health problems.

"There is a health care hurricane on the horizon in our country. In just 10 years, the first wave of baby boomers will hit age 65 and become eligible for Medicare. It is estimated that by the year 2040, 1 in 5 Americans will be over the age of 65, and there will be almost 4 times as many very old people – those over the age of 85 – as there are today.

"I intend to offer an amendment in the budget committee on the 2% Solution during next week's mark-up to address these issues. In addition, I am going to introduce legislation in the coming weeks to implement the 2% Solution. And together with the people behind me and around this room, I am confident that we will build the coalition to pass that legislation and bridge the gap between need and coverage for people suffering from chronic illness and disability.

"We're not like the weatherman, who, when he gets it wrong can just say "Whoops!" We know this health care hurricane is on the horizon. We must act now to shelter the vulnerable from the coming storm."

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